



GARY R. HERBERT  
Governor

SPENCER J. COX  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

April 4, 2016

Scott Bakken  
Energy Fuels Resources (USA)  
225 Union Blvd. Ste 600  
Lakewood, Colorado 80228

Subject: Preliminary Review of Revised Reclamation Cost Estimate, Energy Fuels Resources (USA), Rim-Columbus Mine, M/037/0006, San Juan County, Utah

Dear Mr. Bakken:

The Division of Oil, Gas and Mining has reviewed the referenced draft reclamation cost estimate that was received March 10, 2016. The attached comments will need to be addressed before the Division can approve the estimate. Please submit your response to this review by April 30, 2016.

Please contact the lead for this project, Mike Bradley, at 801-538-5332, the surety engineer, Wayne Western, at 801-538-5258, or me at 801-538-5261 if you have questions about the review or if you would like to schedule a meeting to discuss the comments. Thank you for your cooperation in completing this permitting action.

Sincerely,

Paul B. Baker  
Minerals Program Manager

PBB:mpb:pb

Attachment: Review

cc: Ted McDougal, BLM Moab FO ([tmcdouga@blm.gov](mailto:tmcdouga@blm.gov))

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**PRELIMINARY REVIEW OF NOTICE OF INTENTION  
TO COMMENCE LARGE MINING OPERATIONS  
Energy Fuels Resources (USA)  
Rim-Columbus Mine  
M/037/0006  
April 4, 2016**

**General Comments:**

Comm ent #	Sheet/Page/ Map/Table #	Comments	Initials	Review Action
1	General	The Division may have additional comments based on the responses to this review. Please attempt to provide a complete, technically adequate submittal.	OGM	

**R647-4-113 – Surety**

Comment #	Sheet/Page/ Map/Table #	Comments	Initials	Review Action
2		Use of Bluebook rates. The Division policy is to use Bluebook rates whenever possible. The Bluebook rates are based on the assumption that the contractor owns the equipment but charges a rate for the equipment to be on site. The Bluebook operating costs are based on actual data. There are several advantages for the Division and operators to use standardized third party costs whenever possible.	whw	
3		Please use R. S. Means labor rates. The Division usually does not rely on local labor but rather labor rates from the main population centers of Utah and other states. Often the contractors that do the work come from the Wasatch Front or out of state. When possible the Division relies on R. S. Means labor rates.	whw	
4		For D9 dozer, please use costs from Blue Book 2016: \$24,400.00 monthly rate (176 hours/month). The operating cost is \$125.20/hour. Add 10% to rental rate and operating cost for overhead and profit. Use the Means labor rate of \$74.15 which includes overhead and profit.	whw	
5		For 966H, please use costs for Bluebook 2016: \$8,250.00 monthly rate (176 hours/month). The operating cost is \$58.70/hour. Add 10% to rental rate and operating cost for overhead and profit. Use the Means labor rate of \$74.15 which includes overhead and profit.	whw	
6		For 10-cubic yard dump truck, please use costs from Bluebook 2016: \$2,870.00 monthly rate (176 hrs/month), operating costs \$43.90/hr, add 10% to rental rate and operating cost for overhead and profit.	whw	
7		For LHD please use cost from Bluebook 2016: HST-1A \$3,190.00 monthly rate (176 hrs/month), operating costs \$20.75 hr, add 10% to rental rate and operating cost for overhead and profit.	whw	
8		For 40 ton crane Grove RT650E, please use costs from Bluebook 2016: \$10,655.00 monthly rate (176 hrs/month), operating costs \$55.20/hr, add 10% to rental rate and operating cost for overhead and profit.	whw	
9		Please include 10% for mobilization and demobilization. The 10% mob/demob includes other items besides moving equipment to and from the site. Those costs include but are not limited to performance bond, permits, insurance and other costs.	whw	